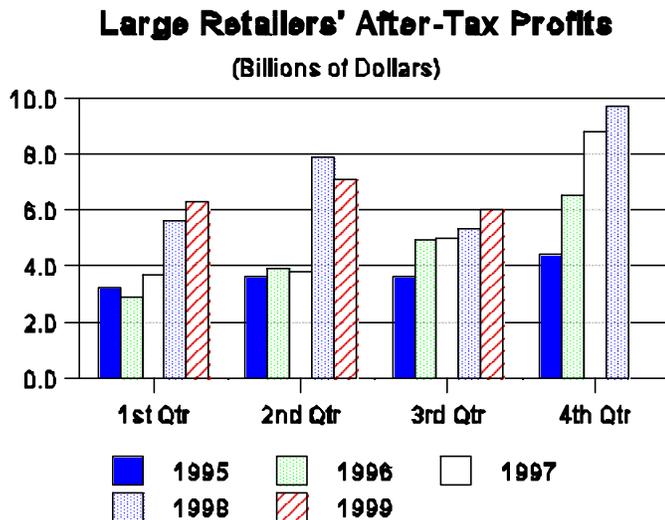


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**ADVANCE DATA ON LARGE RETAILERS' PROFITS
 FOR THE THIRD QUARTER 1999**



After-tax profits for retail corporations with assets of \$50 million and over averaged 2.0 cents per dollar of sales for the third quarter of 1999, down 0.4 (± 0.1) cents from the preceding quarter, but up 0.1 (± 0.1) cents from the same quarter in 1998, according to advance data from the Commerce Department's Bureau of the Census.

For the third quarter of 1999, these large retail corporations reported after-tax profits of \$6.0 billion, down \$1.0 (± 0.2) billion from the preceding quarter, but up \$0.7 (± 0.2) billion from the same quarter a year ago. The annual rate of after-tax return on stockholders' equity was 10.8 percent, down 2.3 percent ($\pm 0.4\%$) when compared to the second quarter of 1999, but showing no statistically significant change from the third quarter of 1998.

Third quarter 1999 sales were \$301.0 billion, showing no statistically significant change from last quarter but up \$23.5 billion or 8.5 percent ($\pm 1.8\%$) from the third quarter of 1998.

These data are based on quarterly financial reports obtained from 496 corporations. The figures in this release are *not* seasonally adjusted. More detailed information on the retail trade sector for the third quarter will be published in the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations—Fourth Quarter 1999 which is scheduled for release on April 5, 2000.

EXPLANATORY NOTES:

This quarter's publication contains data revised due to the reclassification of corporations by industry, and revisions that reflect respondents' corrections of data submitted subsequent to original publication.

The data presented in this report are estimated from a sample survey and therefore are subject to sampling variability as well as nonsampling variability such as response error, nonreporting, and coverage errors. Estimates of sampling variability are presented in the publication. A statement such as "up 2.5 (± 0.1) cents," appearing in the text, indicates the range (+2.4 to +2.6 cents) in which the actual change is likely to have occurred. The range given for the change is a 90 percent confidence interval that accounts only for sampling variability. If the range had contained zero (0), it would have been uncertain whether there was an increase or decrease; that is, the change would not have been statistically significant. For any comparison cited without a confidence interval, the change is statistically significant. The quarterly publication includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

This report is available on the day of issue through the Department of Commerce's on-line Economic Bulletin Board (202-482-1986) and on the Internet (<http://www.census.gov/csd/qfr>).

Table 1. Income Statement for Retail Trade Corporations with Assets of \$50 Million and Over

Item	3Q 1999	2Q 1999 ¹	3Q 1998 ¹
	(million dollars)		
Net sales, receipts, and operating revenues	301,008	298,706	277,515
Less: Depreciation, depletion, and amortization	6,351	6,123	5,909
Less: All other operating costs and expenses	280,333	277,580	259,355
Income (or loss) from operations	14,325	15,003	12,251
Interest expense	3,742	3,659	3,374
All other nonoperating income (expense)	464	599	315
Income (or loss) before income taxes	11,047	11,942	9,192
Less: Provision for current and deferred domestic income taxes	5,044	4,891	3,931
Income (or loss) after income taxes	6,003	7,051	5,261
Cash dividends charged to retained earnings in current quarter	1,582	1,442	1,236
Net income retained in business	4,421	5,609	4,024
Retained earnings at beginning of quarter	148,162	141,422	126,774
Other direct credits (or charges) to retained earnings (net)	(1,176)	(662)	(1,186)
Retained earnings at end of quarter	151,408	146,369	129,612

Table 2. Income Statement in Ratio Format for Retail Trade Corporations with Assets of \$50 Million and Over

Item	3Q 1999	2Q 1999 ¹	3Q 1998 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	2.1	2.0	2.1
Less: All other operating costs and expenses	93.1	92.9	93.5
Income (or loss) from operations	4.8	5.0	4.4
Interest expense	1.2	1.2	1.2
All other nonoperating income (expense)	0.2	0.2	0.1
Income (or loss) before income taxes	3.7	4.0	3.3
Less: Provision for current and deferred domestic income taxes	1.7	1.6	1.4
Income (or loss) after income taxes	2.0	2.4	1.9

Table 3. Operating Ratios for Retail Trade Corporations with Assets of \$50 Million and Over

Item	3Q 1999	2Q 1999 ¹	3Q 1998 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	19.96	22.11	18.61
After income taxes	10.85	13.05	10.65
Annual rate of profit on total assets:			
Before income taxes	7.09	8.05	6.40
After income taxes	3.85	4.75	3.66

¹Revised.